

XPS Conc/erge

A service for trustees who want
to retain full control of investment
decision making but delegate timely
and effective implementation



Introduction

We have introduced 'XPS Concierge' – a fully delegated governance and implementation service – to help trustees implement investment decisions with razor sharp efficiency. Under XPS Concierge we ensure investment changes are implemented as quickly and as effectively as possible, and by removing this administration burden from trustees it frees up their time and resources allowing them to focus on the key areas of investment strategy to help ensure the long-term security of members' benefits.

Being a pension scheme trustee is demanding. You have to make a myriad of decisions on a wide range of things that can have a huge impact on the financial wellbeing of your members. We've spoken to many trustees who want to prioritise their limited time and resources on the things that matter most. For investment, deciding on your long term funding target and your asset strategy to get you there are the key issues that are most likely to drive success and ensure your members are paid their benefits in full and on time.

Whilst fully delegated fiduciary management is a potential solution for some, trustees would typically have to give up control of making the investment decisions – something most trustees tell us they would prefer to keep.

Others retain control themselves and try to balance the competing requirements on their time. However, under this route we know trustees can be frustrated with the ever-increasing complexity of documentation required to implement changes.

This is where **XPS Concierge** comes in. We take full responsibility for implementing all the investment decisions, supporting trustees with the day-to-day management, as well as the speedy implementation of new managers and funds.



XPS Concierge



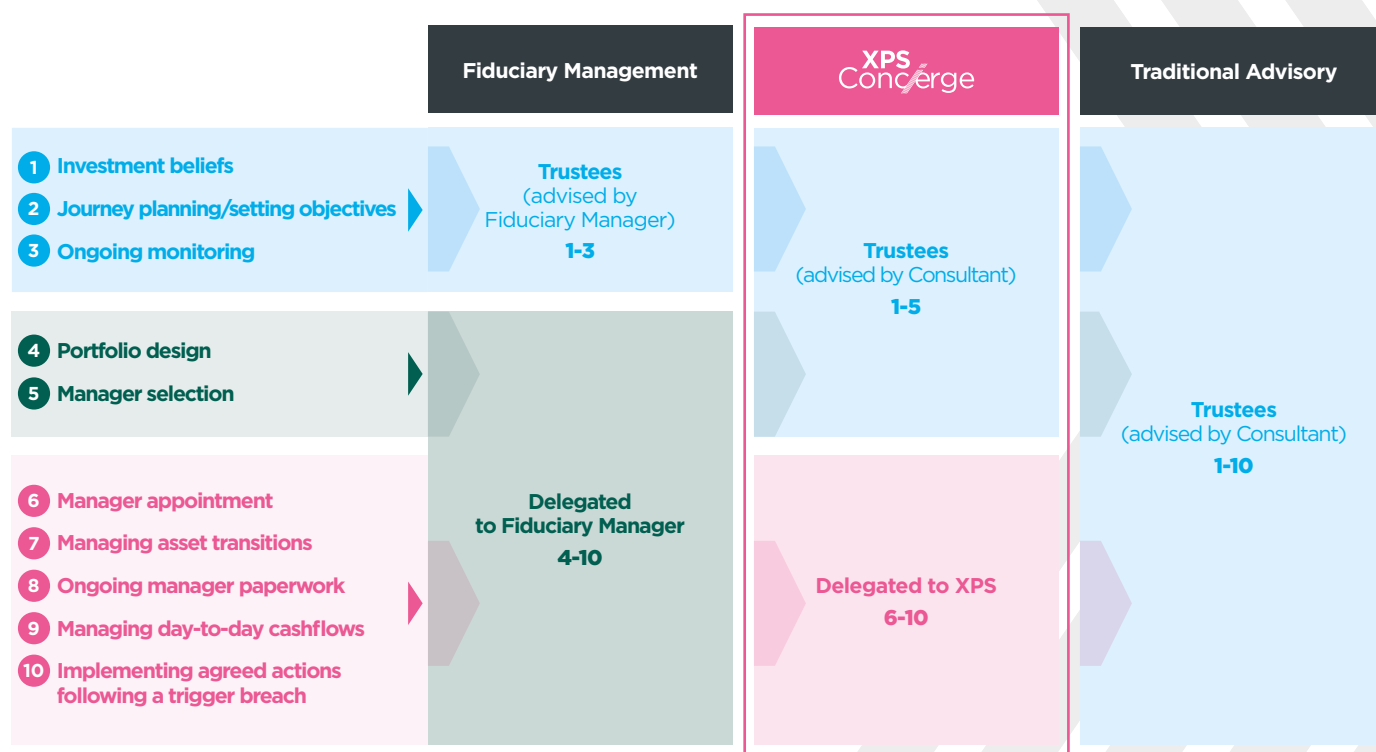
We've designed XPS Concierge to help trustees focus their time on the strategic issues that have the most impact on ensuring all members are paid in full and on time. Delegating the execution of their investment decisions to XPS ensures that their investment strategy will be implemented effectively, and with brilliant efficiency.

Ben Gold
Head of Investment, XPS

XPS Concérge can support trustees who:

- **Want to delegate responsibility for the timely and effective implementation** of your investment decisions to enable you to focus your limited time on more impactful strategic issues.
- **Have considered fiduciary management** but decided against it because you want to be able to make your own investment decisions.
- **Have already appointed a fiduciary manager** but would prefer to take back control of more of the investment decisions.

A new alternative governance model



The key actions the trustees retain:

- Making all strategic decisions.
- Selecting investment managers and funds.
- Ongoing monitoring of investment strategy and investment managers.



Under XPS Concierge we can undertake some or all of the following:

Appointment of new investment managers

- **We automatically obtain legal advice on your behalf** on all the appointment documentation.
- **We complete and sign** all application documentation.



Implementation of investment strategy changes

- **We complete and sign all transition documents** required to implement agreed changes.
- **We fully arrange and manage the transfer of assets** across managers as required.



Day-to-day implementation of your investment policies

- **We fully manage, including completion and signing of all documentation for:**
 - Dealing with investments and disinvestments.
 - Dealing with cash calls or distributions from LDI funds.
 - Dealing with drawdown requests on illiquid investments.
- **We ensure legal oversight** by automatically obtaining legal advice on any significant changes proposed by your manager or relevant third-party contracts.
- **We complete and sign** any updated manager or relevant third party documentation required.
- **We liaise and instruct your scheme administrator** regarding day-to-day investment matters.



Trigger monitoring (optional service)

- **We monitor any trigger based policy** set by you, through our system Radar.
- **If a trigger is breached, we will:**
 - Confirm asset and liability estimates before actions are taken to ensure accuracy of the trigger.
 - Confirm our recommended course of action to ensure it is appropriate at the time.
 - Require written confirmation of how you would like us to proceed before any potential transition.

Radar



Clear benefits for trustees



Effective and efficient implementation of the trustees' investment decisions and policies through outsourcing to XPS.



Crucially, the **trustees still have control of all the investment decisions** – this is not fiduciary management.



The trustees automatically get legal and investment advice on all new manager and related third party appointment documentation. Most schemes don't do this most of the time, meaning there is a stronger audit trail of advice around decisions taken under XPS Concierge than is often otherwise the case.



Implementing decisions is not dependent on trustee availability, and hence can happen more quickly, as manager and related third party paperwork is signed by XPS.



LDI distributions/cash calls and drawdowns on illiquid assets are automatically dealt with.



Updates to investment manager paperwork are automatically dealt with.



Cashflow management policies are automatically implemented.



Trigger monitoring can be incorporated alongside our XPS Concierge service meaning the triggered actions can happen more quickly (albeit not automatically).

Find out more

For further information on XPS Concierge, please get in touch with Ben Gold or Adam Gillespie.



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About us

XPS Pensions Group is the largest pure pensions consultancy in the UK, specialising in actuarial, investment consulting and administration. The XPS Pensions Group business combines expertise, insight and technology to address the needs of over 1,200 pension schemes and their sponsoring employers on an ongoing and project basis. We undertake pensions administration for over 930,000 members and provide advisory services to schemes of all sizes including 25 with over £1bn of assets.

XPS Investment provides clear and independent investment advice that can be quickly and effectively implemented. We advise pension schemes and their corporate sponsors and have over £50bn of assets under advice.

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